

RETIREE ADVISOR

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Produced for retired members of the Tennessee Consolidated Retirement System

TCRS Names New Director



Ed Hennessee
Director

On January 29, 1999, Ed Hennessee was named Director of the Tennessee Consolidated Retirement System (TCRS). Previously, Hennessee served as Deputy Director of TCRS for 14 years and has been employed with the Tennessee Consolidated Retirement System for a total of 23 years. He has served TCRS in various capacities in Benefits, Membership and Accounting.

A Tennessee native, he is a graduate of Tennessee Technological University with a degree in Business Administration and is a Certified Financial Planner. After serving 29 years in the Tennessee Army National Guard,

Ed recently retired as a Major in the Finance Corps.

Ed and his wife, Kristy, have two children ages 10 and 12.

Previous Director Steve Curry has been promoted to Assistant to the Treasurer.

Letter from the Director

Dear Retiree:

Each July, most retirees and beneficiaries are eligible for cost-of-living adjustments (COLAs) at a rate determined by the consumer price index (CPI). This year the COLA rate is 1.6%.

A COLA for retired state employees and teachers has been granted every year since 1973. These adjustments are embedded in the plan as automatic increases which cannot be diminished or abolished. They are also pre-funded as part of the state or teacher employer contribution rate. This means that you can count on the TCRS COLA even if the state is unable to provide a similar adjustment for those still working.

COLA is an optional feature of the plan for local governments. A vast majority of counties, cities and other local governments provide some type of COLA benefits for their retirees. Over half of all participating local governments have now adopted the compounded COLA method that was introduced last year. Since this is an optional part of the plan for local governments, some do not yet provide a COLA; however, the chief governing body may at some point in the future agree to fund COLA benefits. During the next two or three years, I anticipate that several employers will be successful in their efforts to include compounded COLAs in their pension plan.

Sincerely,

Ed W. Hennessee

July Cost-of-Living Adjustment (COLA) Increase is 1.6%

The CPI during calendar year 1998 increased 1.6%, thus most retirees' benefits will increase 1.6%. The increase will be reflected on your July retirement check. If withholding taxes are deducted from your benefit, the amount of the deduction may change due to the COLA.

A person retired from a political subdivision is granted a COLA if the local governing body has passed a resolution approving the COLA.

Schedule for 1999 Retirement Checks

All TCRS retirement checks are mailed on the last working day of each month. If you have not received your check by the tenth of the month, contact TCRS.

For retirees on direct deposit, retirement payments are credited on the same day the checks are mailed from our office.

The schedule for mailing retirement checks for the second half of 1999 is as follows:

July	31	Oct.	29
Aug.	31	Nov.	30
Sept.	30	Dec.	28

TCRS is Ready for the Year 2000

Many retirees have expressed concern as to whether TCRS is ready for the Year 2000. TCRS staff and Information Systems staff have worked diligently to prepare for the new millennium.

Two systems affect the operations of TCRS. The accounting and control system was moved to Y2K compliance in January 1999. The retired payroll system was designed as a Y2K compliant system in 1990; moreover, the payroll process has been tested successfully in the Year 2000 environment. Thus, we do not foresee any problems providing services at the turn of the century.

Furthermore, to provide retirees with extra assurance, **the December 1999 retirement payroll will be released on December 28** to provide retirees with access to their payments before January 1st.

Important Numbers

Retired Payroll: (615) 741-4913
Toll Free TCRS: 800-770-8277

Blue Cross/Blue Shield
Medicare Supplement: 800-221-7828
Group Insurance: 800-558-6213

Social Security: 800-772-1213

Web Site:
www.treasury.state.tn.us/tcrs.htm

Calling TCRS

For your convenience, TCRS has installed an automated system on our toll-free number, 1-800-770-8277. When calling our toll-free number, the following options are available:

Selection Number	Service Area Desired
1	Retired payroll & insurance
2	Estimates, counseling appointments, field services
3	Benefit calculations, military credit or prior service
4	Refunds and rollovers
5	Enrollments, account balances, annual statements

If using a touch-tone phone, it is not necessary to listen to the choices. Press the selection number after the automated attendant answers. If calling from Davidson or the surrounding counties, the automated system can be accessed locally by dialing 253-2513.

When are the best times to call TCRS?

Office hours are Monday through Friday 8-4:30 Central Time; 8-9 is the best time to call. If Monday or Friday is a holiday, it is advisable to call on Wednesday or Thursday. Typically, the highest volume of calls occurs at the end of the month, the first week of the month and following a newsletter or other mailing.

Mailed Checks

Please remember, stop payment requests and replacement checks will be processed on or around the tenth day of each month, so allow the post office plenty of time to deliver your check. Consider converting to direct deposit payments which are far more efficient and are posted to your bank account on the last business day of each month. For a direct deposit application, call TCRS at 741-4913 or download the application at www.treasury.state.tn.us/tcrs/f.htm

Board Election/Appointments

Linda Cooper, Associate Director of Human Resources for Middle Tennessee State University and Michael Fort, General Counsel for Employment Security were recently elected as state employee representatives to the TCRS Board of Trustees for the period July 1, 1999-June 30, 2001.

There were 6,575 ballots received with 12,507 votes cast. These votes were tabulated and verified by the office of the Comptroller of the Treasury.

Philip Spence, West Tennessee Teacher Representative was reelected to the Board by the Tennessee Teacher's Association. Gerald Hensley was reappointed to the Board by the County Officials Association of Tennessee. Robert Wormsley was reappointed to the Board by the Tennessee County Services Association.

More information about the TCRS Board of Trustees can be found at the TCRS website.

Everybody's Gone Surfing

Did you know there are over 40 million people wired into the Internet and the World Wide Web? That number is expected to double by next year.

Sitting at your Personal Computer (PC), you can do your taxes, surf the Web, write letters, e-mail friends, play games, plan and make travel arrangements, buy a car...in fact, do whatever you want.

Shopping on the Web can be an enjoyable pastime, and most online stores are as safe as — if not safer — than physical stores. However, before you purchase something online, make sure that the site will encrypt or encode your credit card number. Encryption is the use of codes making the communication readable only by the intended recipient. If the site can't encrypt your number, call the company's order line and place the order over the phone.

Almost any computer is capable of connecting to the Internet, as long as it's equipped with a modem and the right software. Mac and Windows computers both work well for Internet access. Computers with faster processors tend to display Web pages more quickly.

To view Web pages, special free software programs called browsers are used. If you use a well-established browser such as Netscape Navigator or Microsoft Internet Explorer, you'll be able to access almost any page on the Web.

For less than \$20 a month, you can have Internet access. There are several Internet Service Providers (ISPs) available. When searching for an ISP, look for one that offers unlimited access, a local or toll-free number for accessing the Web and a free e-mail account. Some local libraries provide free Internet access.

Aside from a computer equipped with a modem, a browser, and an account with an (ISP), you will need a telephone connection. It is not necessary to install a second phone line, but you may need to install an extra telephone jack close to your computer.

Don't be intimidated by the computer lingo and technology. Once you have all the equipment, you'll be surfing in no time. Tutorials are available on the Internet to assist you in this process.

Useful Websites

www.treasury.state.tn.us/
www.state.tn.us
www.nps.gov/
www.loc.gov/
www.whitehouse.gov/WH/Welcome.html
www.ssa.gov
www.seniorlaw.com

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